

# **Exhibit B**



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Mr. Matthew Service  
VP Transportation  
Patriot Rail Company, LLC  
10060 Skinner Lake Dr.  
Jacksonville, FL 32246

September 11, 2018

**Re: Patriot Rail Company LLC (“Patriot”) and the Water Supply Line Break at International Paper Company’s Valliant, Oklahoma Containerboard Mill (“IP”)**

Dear Matthew:

As you are aware, on and around August 16, 2018 Patriot’s subcontractor, believed to be Nation Construction, LLC, was doing work on the railroad track that runs south of a 42” buried water supply line connecting the Little River Pumping Station to the Mill. While conducting that work, Patriot’s subcontractor damaged (i) the water supply line, (ii) a number of the line’s vent pipes, and (iii) severed a fiber optic cable (jointly the “damaged property”). The damage to the pipe and vents eventually resulted in an approximately 80 foot geyser of water. Upon notice of the damage and in order to minimize it, IP promptly commenced temporary repair efforts to the damaged property (**Phase I repairs**).

Additional future steps to ensure appropriate repair of the water supply line and vents include but may not be limited to:

- A short shutdown of mill operations in September 2018 to (i) further inspect any potential additional damage to the pipe not visible under current conditions; and (ii) to install a better temporary repair to enable the pipe’s safe operation through the year 2020 (**Phase II repairs**).
- If necessary based on the findings during Phase II repairs, permanent repairs or pipe substitution work conducted during the planned outage period in 2020 (**Phase III repairs**).



As of August 31, 2018, Phase I temporary repair costs incurred are estimated to be \$20,000. IP estimates that jointly, Phase I and II repairs may total around \$50,000-\$55,000. We cannot yet estimate the cost of repairs that may become necessary under Phase III. IP seeks full indemnification and insurance coverage from Patriot for the currently known and for all unknown damages incurred as a result of the incident(s) described here. We request that you immediately put any applicable third parties and insurance carriers, including excess or umbrella carriers, on notice.

Sincerely,

INTERNATIONAL PAPER

A handwritten signature in black ink, appearing to read "Karri Buchanan". The signature is written in a cursive style with a horizontal line underneath it.

c: Pete Thompson  
Karri Buchanan  
Chuck Gains